Federal Communications Commission 45 L St., N.E. Washington, D.C. 20554

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DA 21-1259

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## DOMESTIC SECTION 214 APPLICATION FILED FOR THE ACQUISITION OF ASSETS OF VOXNET, LLC BY BLOCK LINE SYSTEMS, LLC

## STREAMLINED PLEADING CYCLE ESTABLISHED

WC Docket No. 21-374

Comments Due: October 22, 2021 Reply Comment Due: October 29, 2021

By this Public Notice, the Wireline Competition Bureau (Bureau) seeks comment from interested parties on an application filed by VoxNet, LLC (VoxNet) and Block Line Systems, LLC (Block Line) (together, Applicants), pursuant to section 214 of the Communications Act of 1934, as amended, and sections 63.03-04 of the Commission's rules, requesting consent for an unauthorized acquisition of assets of VoxNet by Block Line that occurred on September 1, 2021, without prior approval by the Commission.<sup>1</sup>

VoxNet, a Delaware limited liability company, provides competitive local exchange carrier (LEC) and interexchange services to customers in Delaware, New Jersey, and Pennsylvania.<sup>2</sup>

Block Line, an Ohio limited liability company, provides competitive LEC services and interexchange services in Delaware, Illinois, Kentucky, Maryland, Massachusetts, New Jersey, New York, Pennsylvania, Rhode Island, Texas, and the District of Columbia. Block Line is also authorized to provide interexchange services in California, Georgia, and Virginia.<sup>3</sup> Block Line is a

<sup>1</sup> See 47 U.S.C. § 214; 47 CFR §§ 63.03-04. Any action on this domestic section 214 application is without prejudice to Commission action on other related, pending applications. On October 6, 2021, Applicants filed a supplement to their domestic section 214 application. On October 8, 2021, the Bureau granted Applicants' request for special temporary authority for a period of 60 days to allow VoxNet to provide uninterrupted service to customers during the pendency of this application. Letter from Connie Wightman, Consultant to Applicants, to Marlene H. Dortch, Secretary, FCC, WC Docket No. 21-374 (filed Sept. 23, 2021) (on file in WCB Docket No. 21-374). A grant of the domestic section 214 application would be without prejudice to any enforcement action by the Commission for non-compliance with the Act or the Commission's rules.

<sup>&</sup>lt;sup>2</sup> Applicants state that, although VoxNet has competitive LEC authority in New York, it does not currently provide any such services in New York. VoxNet also provides VoIP services to customers in 22 additional states and the District of Columbia.

<sup>&</sup>lt;sup>3</sup> Block Line also provides VoIP services to customers in 17 states and the District of Columbia.

wholly-owned subsidiary of Block Communications, Inc. (BCI), an Ohio corporation.<sup>4</sup> BCI is owned by the following U.S. citizens and Ohio Trusts, each individually holding a 25% interest: Alan J. Block, John R. Block, William Block Family Trust No. 2, and Remainder Trusts. The Trustees and beneficiaries of the trusts are U.S. citizens.

On July 14, 2021, Applicants entered into an asset purchase agreement to transfer VoxNet's customer base, contracts, and vendor contracts to Block Line. According to Applicants, as of September 1, 2021, all of the customers previously served by VoxNet are served by Block Line. Applicants state that VoxNet will cease providing telecommunications services.

Applicants request streamlined treatment of the proposed transaction under the Commission's rules and assert that a grant of the application would serve the public interest, convenience, and necessity. We accept the application for filing under section 63.03(b)(2)(i) of the Commission's rules.<sup>5</sup>

Domestic Section 214 Application Filed for the Acquisition of Assets of VoxNet, LLC by Block Line Systems, LLC, WC Docket No. 21-374 (filed Sept. 23, 2021).

## **GENERAL INFORMATION**

The transfer of control identified herein has been found, upon initial review, to be acceptable for filing as a streamlined application. The Commission reserves the right to return any transfer application if, upon further examination, it is determined to be defective and not in conformance with the Commission's rules and policies. Pursuant to section 63.03(a) of the Commission's rules, 47 CFR § 63.03(a), interested parties may file comments **on or before**October 22, 2021, and reply comments **on or before** October 29, 2021. Pursuant to section 63.52 of the Commission's rules, 47 CFR § 63.52, commenters must serve a copy of comments on the Applicants no later than the above comment filing date. Unless otherwise notified by the Commission, the Applicants may transfer control on the 31st day after the date of this notice.

Pursuant to section 63.03 of the Commission's rules, 47 CFR § 63.03, parties to this proceeding should file any documents using the Commission's Electronic Comment Filing System (ECFS): http://apps.fcc.gov/ecfs/.

## In addition, e-mail one copy of each pleading to each of the following:

- 1) Tracey Wilson, Competition Policy Division, Wireline Competition Bureau, <a href="mailto:tracey.wilson@fcc.gov">tracey.wilson@fcc.gov</a>;
- 2) Gregory Kwan, Competition Policy Division, Wireline Competition Bureau, <a href="mailto:gregory.kwan@fcc.gov">gregory.kwan@fcc.gov</a>; and
- 3) Jim Bird, Office of General Counsel, jim.bird@fcc.gov.

<sup>&</sup>lt;sup>4</sup> BCI also wholly-owns: 1) Buckeye Telesystem, Inc., an Ohio corporation, that provides competitive LEC services in Ohio and Michigan, resold interexchange services in Indiana, and VoIP services in Michigan, Ohio, and Pennsylvania; and 2) Buckeye Cablevision, Inc., an Ohio corporation, that provides cable television services in Michigan and Ohio. Applicants provide, as exhibit A in their supplement, ownership charts of BCI. Applicants also provide, in Exhibit B of their supplement, information on numbers of VoxNet and Block Line customers by county and state.

<sup>&</sup>lt;sup>5</sup> 47 CFR § 63.03(b)(2)(i).

People with Disabilities: We ask that requests for accommodations be made as soon as possible in order to allow the agency to satisfy such requests whenever possible. Send an email to <a href="fcc504@fcc.gov">fcc504@fcc.gov</a> or call the Consumer and Governmental Affairs Bureau at (202) 418-0530.

The proceeding in this Notice shall be treated as a "permit-but-disclose" proceeding in accordance with the Commission's *ex parte* rules. Persons making *ex parte* presentations must file a copy of any written presentation or a memorandum summarizing any oral presentation within two business days after the presentation (unless a different deadline applicable to the Sunshine period applies). Persons making oral *ex parte* presentations are reminded that memoranda summarizing the presentation must (1) list all persons attending or otherwise participating in the meeting at which the *ex parte* presentation was made, and (2) summarize all data presented and arguments made during the presentation. If the presentation consisted in whole or in part of the presentation of data or arguments already reflected in the presenter's written comments, memoranda or other filings in the proceeding, the presenter may provide citations to such data or arguments in his or her prior comments, memoranda, or other filings (specifying the relevant page and/or paragraph numbers where such data or arguments can be found) in lieu of summarizing them in the memorandum. Documents shown or given to Commission staff during *ex parte* meetings are deemed to be written *ex parte* presentations and must be filed consistent with rule 1.1206(b), 47 CFR § 1.1206(b). Participants in this proceeding should familiarize themselves with the Commission's *ex parte* rules.

To allow the Commission to consider fully all substantive issues regarding the application in as timely and efficient a manner as possible, petitioners and commenters should raise all issues in their initial filings. New issues may not be raised in responses or replies.<sup>6</sup> A party or interested person seeking to raise a new issue after the pleading cycle has closed must show good cause why it was not possible for it to have raised the issue previously. Submissions after the pleading cycle has closed that seek to raise new issues based on new facts or newly discovered facts should be filed within 15 days after such facts are discovered. Absent such a showing of good cause, any issues not timely raised may be disregarded by the Commission.

For further information, please contact Tracey Wilson at (202) 418-1394 or Gregory Kwan at (202) 418-1191.

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<sup>&</sup>lt;sup>6</sup> See 47 CFR § 1.45(c).